GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:2232
ANSWERED ON:18.03.2002
COST OF AGRICULTURAL INPUTS
A. VENKATESH NAIK

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government are aware that cost of agricultural inputs have almost doubled during the last two years;

(b) if so, whether the farmers are not getting back even their investment on agriculture;

(c) if so, whether the Government propose to provide some relief to the farmers; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a): As per National Accounts Statistics, the value of inputs in agriculture sector (including livestock), which was Rs. 93416 crores in 1998-99, rose to Rs. 96716 crores in 2000-01 at current prices.

(b)to(d): The Government announces each season the Minimum Support Price (MSP) of major agricultural commodities with a view to encourage higher investments and production. The Minimum Support Price (MSP) fixed by the Government not only covers cost of production but also a reasonable margin as an incentive to the farmers to invest and improve production and productivity.

Statements showing the estimated cost of production, MSP fixed, implicit prices and returns from cultivation of Wheat and Paddy in major producing States during 1996- 97, 1997-98 and 1998-99 are annexed